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ABSTRACT

This document is written by employers whose companies participated in the Learning in Smaller Companies (LISC) project, during which a university and two further education colleges created a number of work-based learning schemes for employers in small and medium-sized enterprises in Scotland. The foreword (Peter Swinson) discusses the importance of collaboration between education and industry. In a section on the purpose of the project, the importance of education to a high quality work force and company success is emphasized. The roles of management and employees in work force education and work force development are discussed in the introduction (Michael Willis). The following topics are considered in "The Learning Environment in the Small Company" (Michael Willis): characteristics of the entrepreneurial business environment; barriers to training and development; and characteristics of work-based learning. The essentials of becoming a learning organization are outlined in "Becoming a Learning Organisation" (Peter Neal). "The Learning in Smaller Companies (LISC) Project" (Peter Neal) summarizes the objectives and activities of the LISC project. Presented next are three case studies: "The Taylor Group" (Michael Willis); "The Lake Hotel" (Douglas Little); and "Harvey Maps Limited" (Sue Harvey). Concluding the document are a resource checklist, profile of the Forth Valley Enterprise, and 11 references. (MN)

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ED 415 349

LEARNING IN SMALLER COMPANIES

Improving Business Performance Through Employee Development

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Report by Employers whose Companies and Employees took part in The Learning in Smaller Companies work-based learning project.

LEADING THE WAY

CE075 470

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LEARNING IN SMALLER COMPANIES

LEADING THE WAY

Report of Employers whose companies and employees took part in the Learning in Smaller Companies (LISC) Project

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ABOUT THIS BROCHURE

This brochure has been prepared as an outcome of the Learning in Smaller Companies Project, one of numerous development projects funded by the Department for Education and Employment. The LISC project was developed by means of a partnership between Educational Policy and Development and the Scottish Enterprise Foundation - both University of Stirling, Falkirk College of Further and Higher Education, and Clackmannan College. Funding was also received from the Local Enterprise Company, Forth Valley Enterprise.

This brochure has been developed with a view to helping owners and managers within small and medium sized organisations develop a quality workforce. It is our contention that the ability to foster "learning" amongst all members of an enterprise has the potential for providing sustainable competitive advantage and thus the ability to increase margins. Work-based learning (WBL) when correctly monitored and supervised, provides an exciting opportunity for the smaller firm to close the gap between the theory and practice of learning and turn knowledge and skills into action. We argue for more effective access to Further and Higher Education providers as supervisors of WBL and accrediting the learning. As a corollary, it is argued that the more traditional delivery of classroom based learning may be restrictive and dangerous for the smaller business. In contrast the workplace of the smaller firm provides a rich environment for learning, promotes a desire for further learning and the development of employees, and finally, and most importantly, the development of the firm.

This brochure was prepared by Michael Willis, Chairman of Tay-Forth Foundries and a member of the LISC Project Steering Committee, with contributions from Sue Harvey, Director of Harvey Map Services Limited, Doune, Douglas Little, General Manager of the Lake Hotel, Port of Menteith and Peter Neal, University of Stirling. It was edited by Liz Seagraves, University of Stirling. We would like to acknowledge the input of the other members of the committee and the members of the LISC Project team. We also thank the Taylor Group for their financial contribution towards the publishing of this document.

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FOREWORD

by Peter Swinson
Director of Skills Development, Forth Valley Enterprise

Increasingly throughout industry and commerce it is recognised that the asset contributing most to the success of a business is quite simply the calibre of the people involved and the skills they can bring to bear. Regrettably, while this is the case, research also shows that many businesses simply lack the time and resources to do something about giving their staff the very skills that will develop both themselves and the companies they work for.

It is therefore particularly important that Forth Valley Enterprise supports initiatives such as that reported in this document, which gathers together the experiences of the enlightened organised who have already been involved locally in *Learning in Smaller Companies*.

As well as reaping the benefits in terms of developing their people and profitability, the involvement of these companies shows other small and medium-sized companies that it is not only the *big boys* that can develop effective employee development activities. Hopefully, with this brochure available, more companies will follow where these champions of Learning in Small Businesses have led.

PURPOSE

by Michael Willis

This brochure is written by managers and owners of small and medium sized enterprises (SMEs) for the managers and owners of small and medium sized enterprises.

It is a clarion call to the owners and managers of SMEs to wake up to the most underutilised resource within their business - their people. Perhaps the greatest source of our future competitive advantage, both as individual firms and as a nation, resides in our ability to mobilise the contribution each and every one of our employees can make to the future prosperity of our businesses.

The authors share the view that

- *an educated workforce equates to a quality workforce*
- *responsibility for education and learning resides jointly with management and the individual*
- *'learning' is a life-long process*
- *the development of a quality workforce is a central plank of business strategy*
- *learning is action biased rather than theoretical*

For many of us our wages and salary bill will amount to 20-40% of sales revenue and yet this bill is often viewed simply as cost rather than the most significant annual investment we make - an investment which requires creativity on the part of management to maximise the return. Aldous Huxley pointed out that "most human beings have an almost infinite capacity for taking things for granted"; this adage can be equally applied to our approach to people within our own organisations. Let the larger bureaucratic and hierarchical organisation fall into that trap but let us use the advantages of size, speed and ease of communication to never overlook our key resources, the individual members of our businesses whom we see every day and, as the Japanese say, have the 'gold in the mind' which is our duty to excavate.

INTRODUCTION

by Michael Willis

Charles Handy in his seminal book on *The Future of Work* hypothesised that future generations would view the "idea of the 100,000 hours, 47 hours per week for 47 weeks a year for 47 years that everyone used to work, and many still do, may seem as unnatural to them as child labour in the mines does to us." He added that ". . . to our grandchildren the massive organisations of this industrial age may look as bizarre as trench warfare does to today's military commanders". (Handy 1985).

Michael Willis and George Forsyth

In my own case, I have worked for 20 years and have clocked up some 40,000 working hours. Thankfully many of these hours have been pleasurable and real commercial and economic achievements have been attained in a variety of organisations. The 40,000 hours have not been a waste of human endeavour as my career has progres-ed from an ambitious but 'green' management trainee within a multinational organisation to Chairman and shareholder of a manufacturing concern employing 100. Unfortunately, for the vast majority, history and the individuals themselves may judge the volume of hours worked as a tragic 'waste' of human resources and more importantly demeaning of the human spirit.

As a young student, I put in many hours serving a plastic moulding machine as a temporary worker in a large Dutch Plastics company; during the night shift I extracted plastic buckets from the high temperature die, inserted a metal handle into the still hot rim and stacked the buckets 20 high. The only thing I learnt from this experience was how to jam the die to get some respite from the relentless disgorging of the machine. After 4 hours of this dull and sometimes painful task (the plastic was still hot enough to burn my fingers) one would get a tea break and an opportunity for some human contact. However, most of my fellow workers at this Dutch factory were guest workers of Surinam or Turkish extraction and communication was difficult.

The advent of the robotic arm has further automated plastic processing and I am sure eradicated this form of labour within the developed world. There will always be dull and monotonous tasks but that experience, and the experience of many other vacation jobs, taught me that human beings respond better if they are kept informed, have a basic training to do the job in hand and their contribution earns some recognition; on the other hand when management leaves a vacuum, the individual employee and organised labour spend their time working against the system to further their own short term, unproductive aims of maximising indolence and reward.

I learnt another lesson about myself; I failed to ask my supervisor some of the basics, for example, where were these buckets being sold, what were the costs of materials, labour etc, how could I progress from machine operator to something more demanding and most importantly could I have a pair of safety gloves to protect my fingers. Although I was an Economics undergraduate I failed abysmally to be inquisitive, enquiring and alert - the so-called hallmarks of a degree education. I rapidly turned into an automaton just there to earn some holiday money and to hell with everything else. Given my experiences, how much more difficult is it for the school leaver to assume responsibilities for self-development and personal learning!

So what were the lessons learnt:

- *no matter how mundane the task there are opportunities to learn and do the job better*
- *management must communicate, communicate and communicate again*
- *every individual needs to be encouraged to contribute and take responsibility*
- *an employee with information cannot help but take responsibility*
- *employees who are not fully informed work against the aims of the business either deliberately or inadvertently*
- *every individual has something distinctive to offer and this needs to be recognised*
- *real value is created on the shop-floor*

3 THE LEARNING ENVIRONMENT IN THE SMALL COMPANY

By Michael Willis

The Business Birth Rate Strategy of Scottish Enterprise recognised that Scotland's low business birth rate "represents a significant structural economic problem" (Scottish Enterprise 1993). Without a flow of new starts today there will not emerge sufficient numbers of fast-growing companies of tomorrow. Small firms account for 50% of employment and they, and the entrepreneurs who drive them, play a central role in the development of the economy.

It was the UK Government which led the way with the promotion of an 'enterprise culture' as a central plank in economic policy. Back in 1980, during the infant stages of this policy, the then Minister of State responsible for smaller firms - David Mitchell - went so far as to assert that the problems and needs of smaller firms in terms of management skill and development was potentially the most important area of work if small firms were to realise their true potential (Mitchell 1980). He recognised that there is a direct relationship between management development and corporate development.

Since that date the other major theme in small business training and development has been the application of the principles of 'Total Quality Management' from the larger business to the smaller business. The underlying philosophy of TQM is that improvements in quality is the essential task of every employee.

When these two themes are linked together one begins to understand the enormous development opportunities open to the small firm sector which, when grasped, will have a major economic impact.

What then are the **defining characteristics of the entrepreneurial business environment** - an environment so attractive that General Electrics CEO Jack Welch commented: "What we are trying relentlessly to do is get that small-company soul - and small-company speed - inside our big company body." (Welch 1992)

Defining characteristics of the entrepreneurial business environment

- *the environment tends to be more dynamic and fast-moving*
- *there is no frozen culture to inhibit change and improvement*
- *every individual contribution has a direct impact on the business*
- *the owner manager shares intimately with the destiny of the business*
- *the business is characterised by entrepreneurial 'spirit' and 'mission'*
- *there are greater opportunities to get involved*
- *there are fewer organisational layers and bureaucracy*
- *there is a greater sense of crisis and urgency*
- *the environment is action orientated*
- *opportunities to get closer to customers exist*

Given the above characteristics of the small firm, the environment for learning and triggers for development and innovation appear favourable compared with the larger, more established organisation. Despite this fact and the provision of training and education incentives over the last 25 years as many as one in five UK SMEs view training as a low priority (Woodcock 1994).

Other recent research has suggested that it is difficult to see the impact of training on small business performance and that perhaps this raises doubts about the real effectiveness of training in small firms (Storey & Westhead 1994). So what has gone wrong and why do there appear to be enormous barriers and suspicions about the relevance of training and development within the small firm sector?

Barriers to training and development

- *the relevance and appropriateness of existing provision*
- *the problems of establishing contact, recruitment and motivation*
- *the traditional 'classroom' based delivery methods*
- *the problems of evaluating any investments in 'learning'*

Given the above barriers, the **design of work-based** learning appears highly relevant to the needs of the smaller business.

Characteristics of work-based learning

- *it is specific to the situational needs of the business*
- *it is delivered at the convenience of the business*
- *it builds on existing know-how*
- *it is flexible enough to meet the development needs of the business*

4 BECOMING A LEARNING ORGANISATION

By Peter Neal

It is not our intention to confuse the small and medium sized business owner or manager with the theories of learning organisations, learning companies and organisational learning. However, as we will see later some companies have utilised the workplace environment to encourage the development of employees alongside the development of the business. In other words, they are becoming learning organisations in practice.

We see, as Nancy Dixon (1994) puts it, that learning is a part of work and work involves learning, they are not separate activities but inextricably linked. What is achieved in a learning company is that this process results from a clear and planned effort to learn. Of course learning and development can occur by accident but can we really rely on learning in our businesses by chance?

As we have discussed earlier small and medium sized enterprises are by nature in a regular state of flux, adjusting rapidly to market conditions and being flexible in their approach, displaying many of the characteristics that create an ideal breeding ground for the development of a learning organisation, that is an organisation where people are continually learning, expanding their capabilities and transforming the company into a more effective organisation operating in an ever changing environment.

Organisations that prosper tend to welcome change, they are looking for various means of improvement, are more innovative and develop a closeness to customers and suppliers. They are also more likely to recognise the worth of individual work skills within the organisation and harness and develop their knowledge and experience to the benefit of the organisation, internally and externally. In other words, they work towards being learning organisations.

The SME we believe, therefore, starts with an inbuilt advantage of becoming a learning company. Why then is this not followed through automatically and why are not more smaller organisations clearly developing staff out of the experience of the workplace?

For a company to obtain maximum benefit from the learning process it needs to understand the processes that are taking place within its organisation and then manage them to its own benefit. There is a simple relationship at work here - the rate of learning is equal to or greater than the rate of change.

The essentials of becoming a learning organisation

- *The prime requirement in the development of the culture we are talking about, is to have a 'champion' within the business to drive the initial ideas forward. In most SMEs that champion will be the owner or a senior manager with the business. Almost as important is to ensure there is no 'anti-champion' working in the organisation who frustrates, for whatever reason, the actions of the 'champion' in seeking to develop the culture of the learning organisation.*

- *Secondly, each employee needs to recognise that they have individual responsibility for their own development and are willing to seize opportunities within work. It means that to do this they are likely to expect the organisation to give them opportunities to take responsibility for their own actions. A good way of doing this in a smaller company is to think of developing people around your customers. All employees can influence the standing of the firm in the customers' eyes and they should recognise this and take responsibility for the actions that impact on customers.*

- *Thirdly, many initiatives within organisations aimed at improving the performance of the company such as Business Re-engineering, TQM and Customer Service Programmes rely on the people working in the organisation and how they respond to the challenges brought about by these changes. It is important, therefore, for the organisation to think of human resource development as part of its business strategy and further to recognise how important it is to communicate effectively with employees at these times of change.*

We are in no doubt that a learning organisation means a commercially successful organisation. Ensuring that people learn at work is therefore helping the company to achieve its business objectives and is not an optional activity that you choose to do or not as the case may be. A culture predominates where business development is synonymous with the people development; the learning organisation becomes a reality not a theory.

5 THE LEARNING IN SMALLER COMPANIES (LISC) PROJECT

by Peter Neal

This brochure, as mentioned earlier, has been produced as part of a Department for Education and Employment initiative to develop links between academic institutions and industry, with a particular emphasis on the recognition of work-based learning. (See Osborne et al 1995 and Seagraves et al 1996.)

Work-based learning

Work-based learning by its very name, is to do with learning linked to the requirements of people's jobs. The activities that occur under the banner of work-based learning are many and varied, but can be conceptualised as

• *learning **for** work:*	*vocational development in a variety of ways, in school, college, home etc*
• *learning **at** work:*	*training and development delivered in company*
• *learning **through** work:*	*integrated into doing the job.*

For both learning **for** work and **at** work to be useful, they need to be reinforced by learning **through** work. It is this area of learning **through** work that has exercised work-based learning developments in recent years.

LISC Project

The project was one of partnership between two Colleges of Further Education (Falkirk and Clackmannan) and two departments with the University of Stirling (Educational Policy and Development and the Scottish Enterprise Foundation within the Centre for Enterprise and Management Development) funded by the Department for Education and Employment and Forth Valley Enterprise.

Three distinct themes for the delivery of programmes and assessment have been developed.

- **National Certificate, Higher National Certificate and Scottish Vocational Qualifications** delivered through the Colleges. The main approach for the Accreditation of Prior Learning is to ask people to gather evidence in the workplace and which proves they can meet performance criteria and present it in a portfolio. Learning packages are usual where the individual does not have the prior knowledge from experience.

- **Access to Degree Studies** delivered through Educational Policy and Development, to provide a route to Higher Education for people who do not have a conventional qualifications. This examines evidence from work experience against a skills checklist to see if these skills are being used and the delivery of a series of seminars to help individuals apply these work-based skills in an academic context.

- **The Certificate in SME Management - Scottish Enterprise Foundation.** The Certificate has been designed to develop the management skill needed in smaller organisations. It is delivered on the understanding that individuals have knowledge based on their experiences in management for which they have not actually gained credit. The course aims by a process of distance learning modules, assignments and projects to draw on that learning. It enables learners to develop knowledge and understanding of a range of topics, which they apply within the context of their own firms.

In the process of developing these programmes mechanisms have been put in place with the educational institutions to enable these modes of delivery to continue. Support material for learning advisers for the students and staff delivering the programme has been developed also.

All the companies in our case studies have been involved in one or more of the programmes.

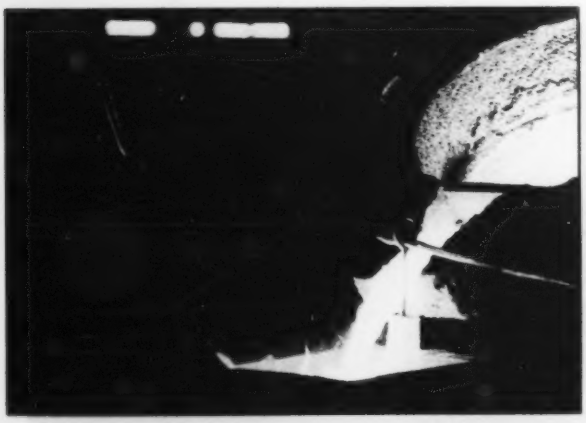
The Taylor Group have had individual employees undertaking the Certificate in SME Management, and Vocational Qualifications in Information Technology and Supervision. Whilst the Lake Hotel and Harvey Map Services have had employees working towards the Certificate in SME Management.

6 CASE STUDIES

We will now review how three businesses all in different sectors, look upon the importance of employee development and education and relate some of their experiences.

1 THE TAYLOR GROUP *by Michael Willis*

Taylor Group Ductile and Alloy Castings forms part of the Taylor Group - a family owned sub-contract engineering business specialising in the shaping of metal. The Group was founded some 75 years ago and now employs 350 on three sites at Dundee, Larbert and Livingston. The Larbert company employs 100 with a turnover of around £6m. Despite operating within an ageing industry with very little room for process innovation the company has a record of change and improvement. In 1946 the company was the first European country to take on the license from America for the production of ductile iron. In 1986 they were the first company to be awarded BS5750 accreditation, now upgraded to ISO 9002; and again in 1995 they were the first Scottish foundry to be awarded IIP recognition.



Foundry

The company is consistently profitable with returns on capital employed at the 15-20% level and features in the upper quartile of the industry financial performance indicators. Although our financial track-record is enviable we are not complacent and aim to further improve on our record despite the inherent problems of increasing profitability within an ageing industry. The major weapon within our strategy is the development of our people by providing learning opportunities within the following key areas

- customers
- product quality
- the financial implications of getting the above right

Although we carry out specific training programmes in such areas as Health and Safety, problem solving, communications and teamwork we prefer to provide individual learning opportunities which match the development needs of the business. The umbrella term the *learning company* is something we are striving towards as this prepares our people for the problems of tomorrow and provide them with the flexibility of approach necessary for the survival and future prosperity of our business.

❑ CUSTOMERS

Customers are at the heart of any business and we go to great lengths to get every employee to learn about our customers, their requirements, their plans and aspirations, their perceptions of our performance. We try and get behind the real meaning of the word customer, and see our customer's organisation composed of individuals whose livelihoods are often dependent on the quality of our service. How do we do this? Detailed below are some of the learning initiatives we have undertaken. These are not unique, but if you have not tried them they are well worth considering.

Customer visits

As part of our policy which we term 'seeing is believing', every individual member of our company undertakes at least one customer visit per year. Given the fact that many of our customers are based in the south of England and in Europe this is an expensive undertaking. The opportunity cost of this policy is £10,000 + travel expenses. Our customers welcome these visitations and each delegation completes a trip report, makes recommendations for change and improvement and looks for new competitive benchmarks or costs of Quality. These are ideal opportunities for learning about our customers' business and applying this learning to search for new ways of improving our service to customers. Whenever a customer visits the plant we insist that part of the itinerary includes a briefing session to relevant sections of the workforce.

Fellowship Scheme

During 1995 we launched an Industrial Fellowship scheme whereby we offer and finance a 3 month placement within the Taylor Group to our key customers. The aim of the Fellowship scheme is to develop a more cost effective partnership with our customers and provide a unique management development opportunity for the Fellow, who will not have experienced the small firm environment. The Fellow has an opportunity to work closely with a wide range of our people and help transfer learning and experience. In tandem with the Fellowship, the Fellow was registered on the Certificate in SME Management programme.

Customer Service Audit

Our customers perceptions of our service are regularly audited by System 3 - an independent research company. The results of the audit are communicated to every employee and we seek to learn from the results and where necessary amend our business strategy.

❑ PRODUCT QUALITY

Costs of Quality (COQ)

"If it is not measured it is not managed" is a favourite adage within the company. COQs such as internal scrap, external scrap, absenteeism, quotation times, and delivery times are all measured on a monthly basis and the results prominently displayed and communicated.

Corrective Action Teams (CATs)

CATs, made up of employees at all levels have been set up and have the authority to spend money on improving work systems. The opportunities to learn about problem analysis, problem definition, problem solving, team work, project management and achieving returns on investment are ideally suited to these teams, in short 'turning every job into a business'.

Quality Improvement Stations (QIPs)

QIPs have been formed where employees can put forward ideas to improve quality and efficiency.

Facilitators

The company has used graduates from the Teaching Company Scheme and a variety of Departments from the Higher Education Sector to act as catalysts for learning and to help resource the Total Quality programme.

❑ FINANCIAL IMPLICATIONS

Briefings

The end results of what we do is regularly communicated to all employees. For the last 5 years every individual is team briefed on a weekly basis and at the end of each month the whole workforce is briefed on the management accounts. We spend considerable time educating our employees on the importance of profit margins, returns for shareholders, cashflow, the role of investment and most importantly the structure of our costs, with special emphasis on wages and salaries and the costs of quality.

Profit Related Pay

All our employees share in an Inland Revenue approved PRP scheme. The right to share in profits motivates learning about the profit performance of the business and the role every individual can play in increasing profits. Payments can be 2/3 weeks wages on a tax-free basis.

LISC PROJECT

The Taylor Group saw the opportunity to utilise the work-based learning approach to develop specific individuals. Four of our supervisors commenced programmes to obtain Supervisory Qualifications, two people developed their IT skills in the workplace through Falkirk College and two others commenced the Certificate in Small and Medium Enterprise Management offered by the University of Stirling.

Margaret Duncan, Customer Relations Manager, took part in the Certificate in SME Management. She describes the value of it to her personally and to the company.

Margaret Duncan
Customer Relations Manager

"I have been asked to look at areas of management which were not my responsibility and this has given me insight into different aspects of the business. I am amazed at how much I have learned about my own company. I have been involved in educational courses before but there is a tremendous difference with the CSMEM. I have to apply the theory in my own workplace. I always have to start with the question 'What do we do already?'. There is a world of difference between learning theory and answering a theoretical question and learning theory and applying it to something real. The workplace isn't static - things are changing all the time; in everything I have to find out what is going on, examine it, collect the ideas of other people and analyse it in relation to the theory.

We deal constantly with information and the processing of it. Doing it as part of an academic exercise has built up my skills in this area and I now find it much easier to do it as part of my job. The knowledge and skills I have gained through the Certificate course have increased my flexibility and therefore my usefulness to the company. I would add that I have had tremendous co-operation from everyone in the company which has helped make the whole exercise effective."

Not only has Margaret benefited from being involved in the Course, but it has introduced learning to other members of the firm. Because the assignments are directly related to the business it has been a good opportunity for everyone to become involved. Managers and directors have been confronted with fresh lines of questioning, which require responses from a different perspective from the norm.

We are delighted to be involved in the LISC project. The Certificate in SME Management is designed to meet the needs of an enterprise such as ours. It is ideal both in terms of building on the work-based experience of our management team and also the expertise and knowledge that the tutorial team have about SMEs.

2 THE LAKE HOTEL

by Douglas Little

In contrast to our first case in the manufacturing sector our second is in the services industry. Tourism and leisure are of growing importance to the economy of Scotland as well as other parts of the UK. The delivery of a high and consistent level of personal service is recognised as being a key to success in this industry. Having a well skilled and professional workforce who are capable of delivering this service is vital. Therefore their training and development is critical. You do not have many chances to get it right with customers in the hotel business. If they are unimpressed they do not come back.

The Lake Hotel is a relatively small hotel (16 bedrooms) sitting on the shores of the only lake in Scotland. The hotel was bought by the present owners in 1990 and totally refurbished. Although pre 1990 the hotel had a fond place in many people's hearts it had perhaps become slightly outdated. Following refurbishment the standard of the hotel has increased quite considerably (as have the prices charged)! From being a relatively low budget family hotel and fisherman's hotel it now has four crowns and is highly commended by the Tourist Board and is featured in such quality guides as Johansen's, *Best loved Hotels of the World* and the *Good Hotel Guide*.

The Lake Hotel, Port of Monteith

Every year since the hotel reopened in 1990 the level of accommodation sales has increased by at least 10%. The level of repeat business is very high and the hotel restaurant is very popular with people living in the local area.

Although being beautifully situated and nicely appointed certainly helps, one of the most important things contributing to the success of the hotel is its staff. In what seems like an increasingly impersonal age the friendly personal touch is more and more appreciated by guests. Guests returning to the hotel like to be greeted in a friendly manner by the same faces. In order for a friendly and efficient approach to permeate through to our guests it is very important that our small team of staff is happy. It is thus very important to find ways of promoting staff happiness; showing that you care by encouraging training is one such way.

Obviously, we try to tailor individuals different needs to different courses. In the past we have had staff doing SVQs in the workplace and day release courses at local catering colleges.

LISC PROJECT

We recognised the need for some development in the skills of management for one of our staff members, my assistant, Abi Snowden. Although we could have chosen a programme specifically designed for the hotel and catering industry, we felt that a more generally based programme, but geared to the needs of the smaller business, would be more beneficial and we chose the Certificate in Small and Medium Enterprise Management developed by the University of Stirling.

Douglas Little, Manager
Abi Snowdon, Assistant Manager

Learning theory certainly has its place in hotels but I believe that practical experience especially in dealing with people is of the most importance. Bearing this in mind, together with the irregularity of our trade, means that courses which are work-based and allow for flexibility are the most attractive to us.

The Certificate has certainly been very relevant to the work that Abi does in the hotel. The monthly tutoring sessions have been extremely helpful in that she has had the chance to meet and discuss solutions with people from other small companies facing many of the same types of problems. The deadlines for the modules have also been quite flexible. All in all Abi certainly enjoyed the course and feels that she has benefited greatly from it.

3 HARVEY MAPS LIMITED

by Sue Harvey

Our final case study turns to a specialised niche market manufacturer.

Harveys exists to make maps to help people find their way in the outdoors, whether for work or recreation. The Company established in 1977 to serve the need for professional mapmaking services for the sport of orienteering in the UK. At that time the entire process of mapmaking was carried out under one roof: photogrammetric plotting from air photos, cartography, photographic processing, proofing and litho printing.

Harvey Maps, Doune

In the 90's Harveys moved on to concentrate on making maps for walkers - in the UK and abroad. Computerisation, and out-sourcing proofing and printing has allowed the company to concentrate on its core competence, the construction and design of special purpose maps.

The Company has achieved an enviable reputation for quality, winning the British Cartographic Society Design Award in 1994 and again in 1995. The market's appreciation of the product was recognised when the Company won the Outdoor Writers Guild Golden Boot Award for the "best new quality product of 1995".

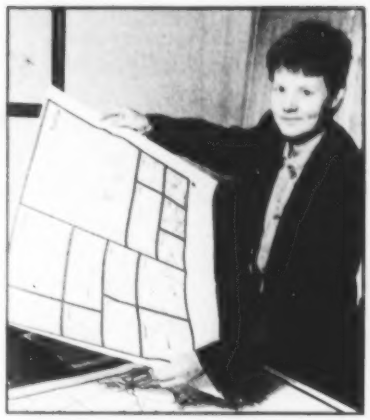
In a highly specialised niche market, each member of staff will receive a large amount of training during a stay with us. It is therefore imperative to keep staff turnover low and motivate staff to develop their skills. At the same time, it is almost impossible to find appropriate outside courses, so much training is from colleagues, in-house in the course of daily work. This requires a willingness to help from other employees and an inquisitive and experimental mentality in everyone. Neither of these can be taught, only fostered.

Looking forward at this point, the primary requirement for the next period is to improve profitability by increasing efficiency of production, and streamlining design while continuing to control costs and maintain the marketing effort.

Effective management of day to day operations is crucial to the success of this policy. The decision was therefore taken to free up directors' time for medium and long term strategic thinking and planning by enhancing the role of Jacci Cameron, the office manager such that she could take care of daily operations.

LISC PROJECT

Since work cannot stop while training is taking place, the Certificate in SME Management programme, which was designed to accommodate learning in the workplace and was focused on the needs of the learner in the small company, was the only type of realistic development in the circumstances.



Sue Harvey, Director

Effects of the training:

Jacci has benefited in many ways by taking part in the programme and her participation has enhanced, not only her own performance, but has impacted on the operations of the company. Some of the benefits are listed below:

1. *Jacci has a deeper understanding of all aspects of business management so that she is better able to foresee the consequences of action in one sphere on other spheres.*
2. *Through receiving recognition for prior skills, she has more confidence in her own knowledge.*
3. *This wider knowledge enables her to be a real speaking partner of the directors when preparing decisions.*
4. *Day-to-day operations are more tightly managed.*
5. *Costs are controlled.*
6. *Co-ordination is improved.*
7. *Because Jacci also operates as personnel manager, she is able to form an excellent conduit for accurate information on strategy and policy to all other members of staff, thus improving communication of the Company's goals and releasing creativity at all levels.*

Jacci Cameron, Office Manager

Jacci recognises the value of having taken part in the programme. "It has given me insight into parts of the business I would never have looked at before. It equipped me to address a particular issue which affected our company related to external organisations. I knew the areas to go into and how to tackle the problem."

7 RESOURCE CHECK LIST

If you require assistance with work-based learning and the development of learning organisations we suggest you contact your Local Enterprise Company (LEC) or Training and Enterprise Council (TEC).

Other publications in the LISC series are:

LISC Final Report Liz Seagraves, Mike Osborne, Peter Neal, Richard Dockrell, Christina Hartshorn, Alison Boyd, March 1996 (£12.50)

LISC Interim Report Mike Osborne, Liz Seagraves, Peter Neal, Richard Dockrell, April 1995 (£7.50)

Supporting Learners in the Workplace: Guidelines for Learning Advisers in Small and Medium Sized Companies Liz Seagraves and Alison Boyd, January 1996 (£15)

Recognising Personal Skills Richard Dockrell and Liz Seagraves, April 1996 (£7.50)

Workplace Study Skills Guide Peter Neal and Mike Osborne, May 1996 (£10)

The Certificate in Small and Medium Enterprise Management: A range of open learning materials has been produced to support the Certificate in SME Management. They are an integral part of the course, and as such are not available for purchase. Anyone wishing more information should contact Christina Hartshorn, Scottish Enterprise Foundation, University of Stirling, Stirling, FK9 4LA

Workplace Learning Packs for Financial Accounting Statements and IT Applications: These Packs have been produced to support workplace learning provided by Falkirk College. As they are an integral part of course provision they are not available for purchase. Anyone wishing more information should contact Alison Boyd, Falkirk College, Grangemouth Road, Falkirk, FK2 9AD.

For information on the LISC project or any of the publications contact:

Liz Seagraves
CPD Officer
Educational Policy & Development
University of Stirling
Stirling FK9 4LA

Forth Valley Enterprise, who support the *Learning in Smaller Companies Programme*, is the Local Enterprise Company which covers the three central Scotland areas of Falkirk, Stirling and Clackmannanshire.

Forth Valley stretches from the industrial east and the port of Grangemouth to the international tourist destination of Loch Lomond and the Trossachs in the west.

There are some 6,500 businesses in Forth Valley. Approximately 8% are in manufacturing and 81% are in the service sector. The remainder are in the construction, agricultural and forestry sectors.

Forth Valley Enterprise has three broad aims. These are to:

- raise business and personal incomes equivalent to the UK average
- reduce unemployment to below the Scottish average
- make Forth Valley a place where people and businesses wish to invest their time and money.

Skills development of companies and individuals is an important part of achieving these aims.

Local companies interested in discussing practical assistance in employee development should contact the Skills Development Division of Forth Valley Enterprise on 01786 451919. Or alternatively use the Central Scotland Business Shops Hotline - 0800 787878.

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